Annual Report

January 1, 2000 – December 31, 2000

Saskatchewan
Assessment Management
Agency

91-04324/

TABLE OF CONTENTS

Letters of Transmittal 2-3
Board of Directors 4
Chairman's Remarks 5
Duties and Responsibilities 6
Current Assessment System Overview 7
Organizational Chart 8
1990 Provincial Assessment Profile 9
Operations Branch 10-11
Regional Boundaries 12-13
Operations Branch 14
Policy and Research Branch 15
Technical Services Branch 16
Administration Branch 17
Financial Overview 18
Financial Statement 19-24

LETTERS OF TRANSMITTAL

Hon. Jack Wolfe

The Honourable Sylvia O. Fedoruk O.C., S.O.M.
Lieutenant Governor
Province of Saskatchewan
REGINA, Saskatchewan

Your Honour:

I have the honour to submit the 1990 Annual Report for the Saskatchewan Assessment Management Agency. The Agency is responsible for the governance of property assessments in Saskatchewan.

The Saskatchewan Assessment Management Agency operates on the calendar year. This report covers the period of January 1, 1990 to December 31, 1990.

Respectfully submitted,

Jack Wolfe
Minister Responsible for
The Assessment Management Agency Act

Kenneth G. Love, Q.C.

The Honourable Jack Wolfe
Minister Responsible for
The Assessment Management Agency Act
Legislative Building
REGINA, Saskatchewan

Mr. Bernard Kirwan
President
Saskatchewan Association of Rural Municipalities
2075 Hamilton Street
REGINA, Saskatchewan

Mr. Bob Thompson
President
Saskatchewan School Trustees Association
400 - 2222 - 13th Avenue
REGINA, Saskatchewan

Mr. Ted Cholod
President
Saskatchewan Urban Municipalities Association
1819 Cornwall Street
REGINA, Saskatchewan

Dear Sirs:

On behalf of the Board of Directors, I have the honour to submit the 1990 Annual Report for the Saskatchewan Assessment Management Agency. The Agency operates on a calendar year. The data in this report covers the period of January 1, 1990 to December 31, 1990.

Yours sincerely,

Kenneth G. Love, Q.C.
Chairman, SAMA Board of Directors

BOARD OF DIRECTORS

Board Members, left to right:

Alphonse Kirzinger, SSTA Representative
Mark Thompson, SUMA Representative
Keith Carleton, SARM Representative
Murray Westby, SUMA Representative

Seated, left to right:

Sinclair Harrison, SARM Representative
Kenneth G. Love, Board Chairman
Karen Keuler, nominated by the Provincial Government

CHAIRMAN'S REMARKS

I am pleased to provide this report of the activities of the Saskatchewan Assessment Management Agency (SAMA) for 1990. It has been a year of change for the Agency. It has also been a year of decision.

I was pleased to be appointed as Chairman of the Agency in April of 1990. The previous Chairman, Mr. Art Hosie, headed the Agency from its origin in 1987. Under his stewardship the Agency developed to the point where the assessment program initiated in 1987 could be implemented. My thanks to Mr. Hosie for his years of hard work and dedication.

Mr. Don Bennett, SAMA's Executive Director, retired at the end of the year. Mr. Bennett had been the Executive Director since the Agency's formation. I thank him for his contributions to SAMA's achievements over the past three years.

As I mentioned earlier, 1990 was a year of decision. The need for assessment reform was evident. Saskatchewan's assessment system no longer reflected the realities of present day property values. By utilizing outdated 1965 level values, the all important principle of equity within the assessment system was being degraded. The question facing SAMA's Board of Directors was how to update Saskatchewan's system to 1987 levels without causing unacceptable shifts between categories of property.

A computer model was developed as a means of testing the new levels of value to determine their impact on Saskatchewan municipalities and school divisions. Results of province-wide modelling guided the Board in its formulation of a preferred option for percentages of value and classification of property for taxation purposes. This preferred option was the focus of a number of consultation meetings in late 1990.

A series of demonstration projects were devised to test the preferred option. Two of these projects were concluded at year end. Revised procedures and policies recently published in SAMA's new assessment manual were applied in the City of Weyburn and the Davidson School Division. Results of these projects are to be released in early 1991.

Field staff carried out a significant amount of work in preparation for the proposed implementation of assessment reform in 1992. They collected urban and rural sales data for analysis and conducted a thorough review of SAMA's pasture carrying capacity data. Appraisers were extensively trained in market valuation and computer systems were developed to facilitate updating all existing data to 1987 levels.

Highlights of the revised market-related system are a market value adjustment to buildings in urban centres and improved farm land productivity and pasture carrying capacity data. The Board is proposing to eliminate the business assessment which does not conform to the general principles of a broad based property tax. A separate mill rate factor, to be applied to all commercial and industrial property, has also been proposed.

The move to a market-related assessment system will put Saskatchewan in line with the majority of other assessment jurisdictions. However, the new 1987 level of values represents a major change for Saskatchewan property owners. SAMA will continue to consult with municipalities and will provide municipalities and other interest groups with the assistance necessary to make the transition to the revised system as smooth as possible.

Kenneth G. Love, Q.C.
Chairman, SAMA Board of Directors

DUTIES AND RESPONSIBILITIES

The Saskatchewan Assessment Management Agency is responsible for the governance of property and business assessments for tax purposes. The Agency develops policies and practices to be employed by appraisers and provides valuation services to all Saskatchewan municipalities except Moose Jaw, Prince Albert, Regina and Saskatoon.

The Agency is governed by *The Assessment Management Agency Act*, responsible to and under the direction of a Board of Directors.

The Act sets out the duties and responsibilities of the Saskatchewan Assessment Management Agency as follows:

a) Establish and maintain valuations in a manner consistent with and in accordance with the standards pursuant to *The Rural Municipality Act, 1989*, *The Urban Municipality Act, 1984*, and *The Northern Municipalities Act*. This includes maintaining the assessment base in every municipality on a yearly basis or as required, as well as performing general reassessments as provided by legislative requirements.

b) Supervise the administration of the assessment provisions of all municipal Acts. This includes information regarding boards of revision, roll confirmation and interpretation of assessment provisions in various legislative Acts.

c) Ensure the general public is adequately informed respecting assessment procedures.

d) Undertake research and studies into valuation practices and procedures and shifts in taxation.

e) Prepare and establish an assessment manual as required for valuation of property and business.

f) Consult with municipal councils, boards of education, the Government of Saskatchewan, the public and local government organizations, during preparation of the assessment manual and prior to any revaluation, as well as during the review of assessment policy and legislation, and the carrying out of any research or study.

CURRENT ASSESSMENT SYSTEM OVERVIEW

Assessments are conducted on businesses and urban, rural and industrial properties. Assessments form the tax base for local governments. Property and business taxes generate revenue for municipal governments, school boards, hospital districts and library boards.

Rural Land Assessment

On rural property, an assessment is based on the land's productive ability. A master rating composed of climate, texture and profile is developed. This rating is then adjusted for physical factors to determine a productivity rating. The productivity rating is further adjusted by economic limitations to determine a final rating. The final rating is related to average market values for the 1961 - 1970 period, commonly referred to as 1965 level values.

Urban Land Assessment

Urban land in larger municipalities is assessed on a "modified market value" approach tied to 1965 values. In smaller municipalities a greater consideration for land assessment is the value in use: adjustments are made to urban land values for municipal infrastructure costs such as sewer, water and paving as well as for lot depth and shape. In rural municipalities there are different rating schedules for country residential, country commercial and major industrial properties.

Improvements

Improvements consist of buildings and structures placed on, over, or under land and anything permanently attached to those buildings. Improvements are valued apart from the land on which they are situated, at 50% of the depreciated replacement cost, based on average construction costs in 1965.

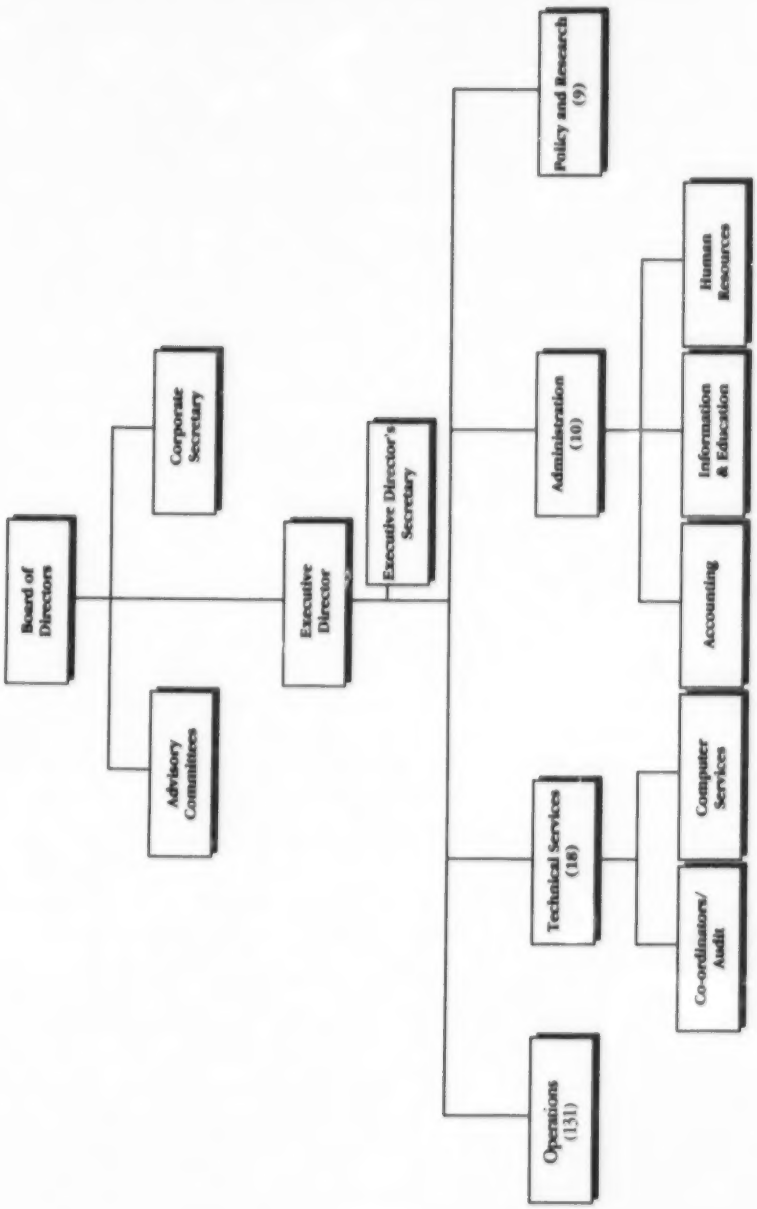
Business Assessment

For all communities except Saskatoon, the "occupied floor space" method is used to assess businesses. Average rates are determined for different kinds of businesses and converted to square footage rates with an adjustment according to the amenities in the community. Saskatoon uses the "rental value" method of business assessment. In Saskatoon, assessments are arrived at by taking a percentage of the gross annual rent for business properties.

Industrial Equipment Assessment

Industrial equipment is assessed at 100% of its fair value indexed to the 1965 base period. All values include an allowance of 50% for lifetime depreciation, maintenance and downtime.

ORGANIZATIONAL CHART

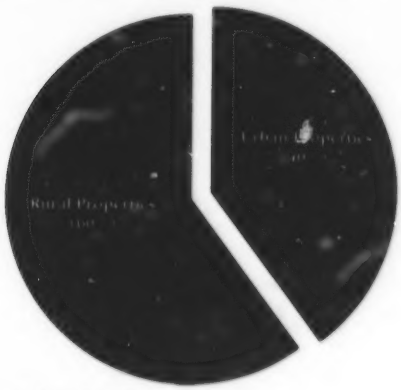


1990 PROVINCIAL ASSESSMENT PROFILE

Percentage of value applied to property components.

50% Buildings	100% Urban Land
60% Agricultural Land	100% Equipment

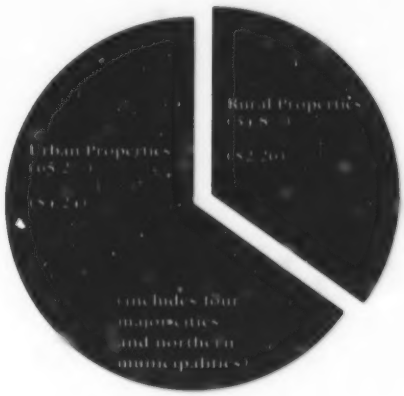
Urban/Rural Property Distribution



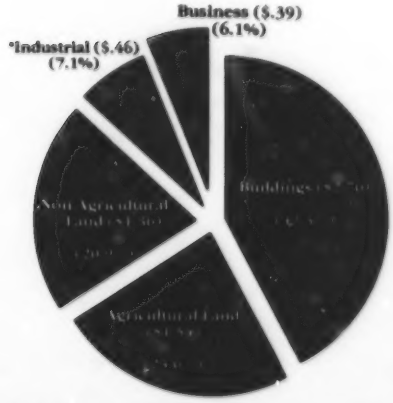
The number of assessable properties in the province is approximately 904,000.

*** Includes four major cities and northern municipalities.**

1990 Assessment Values by Urban/Rural Distribution ($ Billions)



1990 Assessment Values by Class of Property ($ Billions)

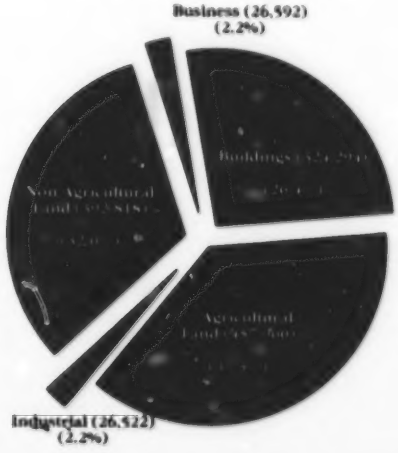


*** excludes land and building assessments associated with potash and other mines which are included in non-agricultural land, buildings and business assessment figures.**

The total assessment for all municipalities in the province is $6,508,885,487.

These figures do not represent current market value.

Total Number of Components by Class of Property



The total number of assessable property components in the province is 1,228,186.

OPERATIONS BRANCH

The Operations Branch is responsible for all property valuations in the province with the exception of those properties located in Moose Jaw, Prince Albert, Regina and Saskatoon.

The Assessment Management Agency Act stipulates valuations are to be established and diligently maintained in a manner consistent with *The Rural Municipality Act, 1989*, *The Urban Municipality Act, 1984*, and *The Northern Municipalities Act*.

SAMA has seven regional offices located in Melfort, North Battleford, Regina, Saskatoon, Swift Current, Weyburn and Yorkton.

Branch Accomplishments

The key to the successful implementation of the proposed market-based system in 1992 is well trained professional appraisers with sound market analysis skills. During 1990 SAMA's urban and rural appraisers participated in a number of market analysis courses.

A course developed by the University of Alberta outlined the procedures involved in the market evaluation of land. A second course designed by SAMA's research department introduced appraisers to procedures for analyzing Saskatchewan's market.

This knowledge was applied during the market analysis where appraisers collected and analyzed sales data to determine market value for each municipality in the province. At year end the analysis was 80% complete.

A major pasture land conversion project was also completed in preparation for 1992. Revised rating schedules were applied during a review of all pasture land in the province. The revised rating schedules conform to the more accurate rating procedures that appear in the new assessment manual.

In an ongoing effort to improve the public's understanding of property assessment, field staff met with 82% of all property owners whose properties were reinspected. They also attended a number of ratepayer meetings and open houses in each of SAMA's seven regions.

As a service to municipalities, SAMA's appraisers provided professional defense of value at boards of revision and Municipal Board Appeal Committee hearings around the province.

Urban Assessment

Market analysis was the major priority in 1990 for SAMA's urban appraisers. The reinspection program was limited to the following urban municipalities:

Town of Alameda	Village of Rockhaven
Village of Limerick	Village of Shell Lake
Village of Medstead	Village of St. Victor
Village of Netherhill	Village of Torquay
Resort Village of Pebble Baye	Village of Valparaiso
Village of Rabbit Lake	Village of Yellow Creek

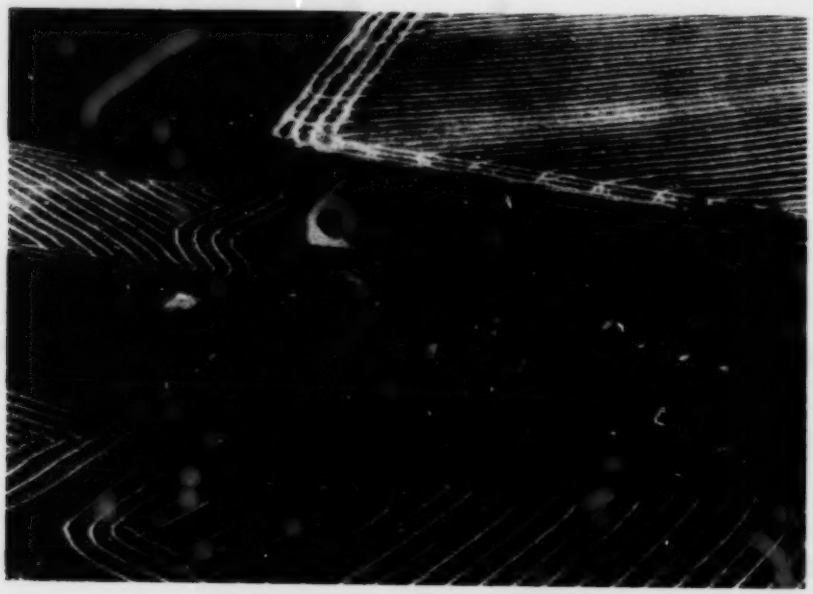
The total confirmed aggregate urban assessment for 1990 is $4,244,127,533. This figure includes assessments for Moose Jaw, Prince Albert, Regina and Saskatoon. The urban total excluding the four major cities is $1,497,482,685.

Rural Assessment

In 1990 the pasture land conversion project was the focus of SAMA's rural activity. During the year the following municipalities were reinspected:

R.M. 132
R.M. 309
Northern Hamlet of Green Lake

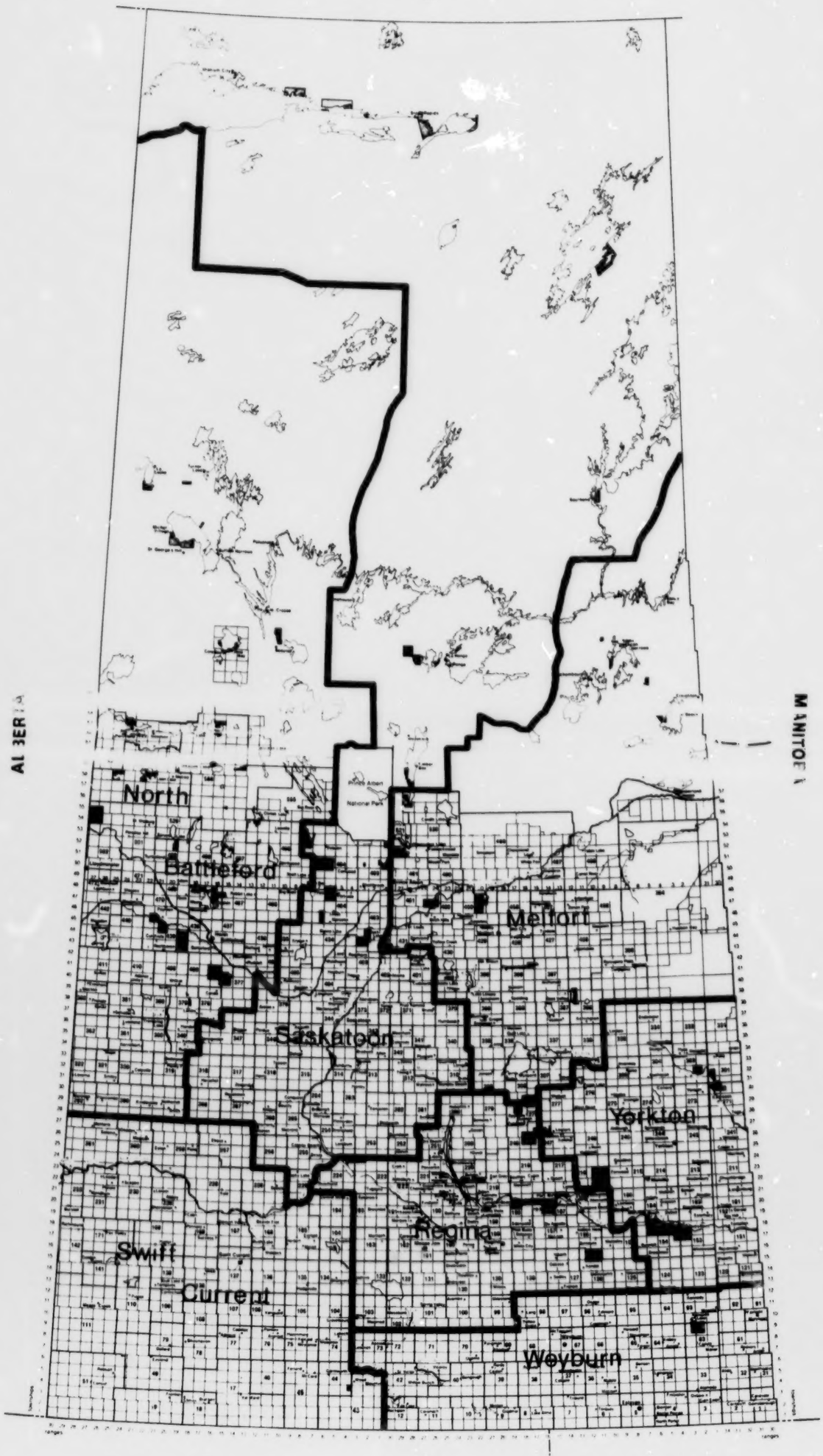
The total confirmed aggregate rural assessment for 1990 is $2,264,757,954.



Aerial view of farm near North Battleford.
Photo credit: Photographic Services Agency

SASKATCHEWAN

URBAN AND RURAL MUNICIPALITIES



City ●
Town, Village ·
Indian Reserve ▭
Rural Municipality Boundary —
Rural Municipality Number 142

Produced by Saskatchewan Community Services

12

13

REGIONAL BOUNDARIES

Northern Assessment:

The total confirmed aggregate northern assessment for 1990 is $74,135,644.

Industrial Assessment

In 1990 an additional industrial appraiser was hired in head office to better serve our industrial clients.

Reinspection of industrial properties were carried out for the following:

Oil and gas properties in nine rural municipalities
Pipelines and associated buildings in nine rural municipalities
The SaskPower Corporation hydro electric station in R.M. 488
The Kalium Chemicals potash mine in R.M. 160
The Cargill grain terminal in R.M. 287
Pipelines and pipeline associated buildings in R.M.'s 8, 9, 35, 138, and 287
Uranium mines at Cigar Lake, Wollaston Lake and Cluff Lake

Maintenance of industrial properties took place for the following:

Pipeline properties in 52 rural municipalities
Six coal mines
Three gold mines
Four uranium mines
Ten potash mines
Two sodium sulphate mines
IPSCO steel plant
Genstar cement plant
Avonlea Minerals bentonite plant
A.P. Green Refractories
Hudson Bay Mining and Smelting
Bi-Provincial Upgrader (under construction)

Industrial staff also provided assessment estimates for a number of major industrial enterprises.

Taxable assessments for industrial properties are as follows:

Oil and Gas	$234,535,569
Pipelines	120,693,540
Equipment	82,746,970

Associated land and building assessments are included in the urban, rural and northern assessment totals.

POLICY AND RESEARCH BRANCH

The Policy and Research Branch is responsible for the development of assessment policy recommendations and the assessment manual. The Branch collects and analyzes data relevant to developing methods for the equitable valuation of property and business in Saskatchewan. The Branch also conducts impact studies on the effect of various assessment policies and methods of valuation.

Branch Accomplishments

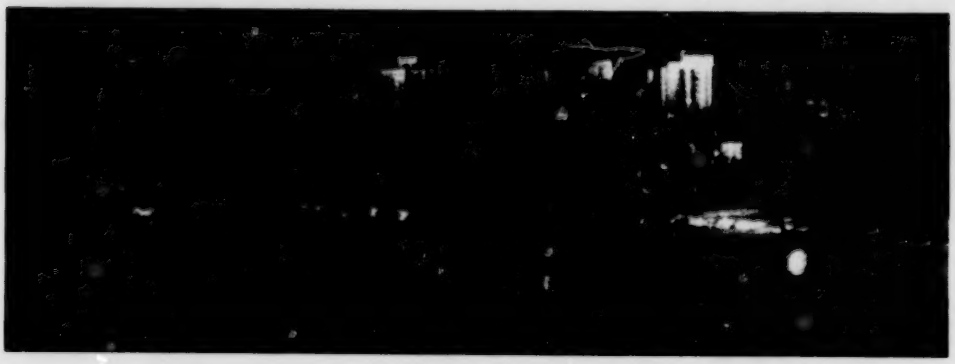
In 1990 the Branch concentrated on finalizing the revisions to the property and business assessment systems proposed for implementation in 1992.

The Saskatchewan Assessment Manual was finalized after considerable development, analysis and testing. The manual provides the rates and procedures that will assist appraisers to determine the average 1987 market-related value of all assessable property in Saskatchewan.

Pasture land and climate studies were also completed in 1990. The pasture land study provided objective rating criteria to measure potential carrying capacity. The climate study identified the major climatic factors influencing productivity in the province. The results of both studies were incorporated into the agricultural land volume of the revised Saskatchewan Assessment Manual.

A property use classification system was developed to help manage the impact of the revised 1987 level values when they are implemented. The system incorporates an adjustment to the gross assessed value based on the use of the property. The commercial mill rate factor concept was also developed in conjunction with the recommendation to eliminate the present business assessment.

The Branch conducted an extensive modelling project to predict 1987 level assessments for all municipalities and school divisions in the province. The assessment model was used by the Board of Directors to examine the impact of the new manual, determine the appropriate property use classes and percentages of value, and determine the appropriate commercial mill rate factor. The assessment model was also used extensively to explain the predicted shifts to interest groups.



Regina skyline
Photo credit: Photographic Services Agency

TECHNICAL SERVICES BRANCH

Technical Services Branch co-ordinates and audits all assessments in the province to ensure uniform and correct application of the assessment manual. As well, the Branch provides computer support services to the Agency and is responsible for the provision of assessment information to interest groups, government agencies and the public.

All annual assessment returns are reviewed and confirmed each year and additional certificates are provided for supplementary assessments when requested by municipalities.

The cities of Moose Jaw, Prince Albert, Regina and Saskatoon maintain their own assessment staff. These four cities carry out property assessments in accordance with provisions in *The Urban Municipality Act, 1984*. The Agency however is responsible for co-ordinating city assessments to ensure provide-wide equity.

Branch Accomplishments

During 1990 Technical Services Branch completed the computer programming for revaluation of all properties to a 1987 level of value. Branch programmers and co-ordinators worked with computer consultants to ensure this system could perform efficiently during the revaluation process.

Co-ordinators played a key role in developing and conducting a market analysis training course for appraisers from SAMA and the four major cities. All new employees received the mandatory three-week training course and new rural appraisers attended an additional two-week course. Training was also provided to industrial appraisers with emphasis on safety in the oil field.

At year end the Branch was involved in joint projects with several provincial government departments. The Agency's ability to track market sales will be improved by the proposed computerization of change of ownership data from the Provincial Land Titles office. The Branch was also involved in a co-operative effort with the Department of Justice to review the assessment provisions in *The Condominium Property Act* and in the development of Central Survey and Mapping Agency's new geographical information system.

The draft Municipal Assessment Act was revised to include new provisions recommended by the Board. This Act would replace the three municipal Acts containing assessment provisions with one uniform set of provisions for the province.

Appraisers Barb Siebert and John Huffman train for market analysis.

ADMINISTRATION BRANCH

The Administration Branch provides central support services including budgeting, accounting, recruitment, classification, pay and benefits administration, contract negotiations and employee/employer relations.

The Branch is also responsible for co-ordinating internal and external communications, for educating ratepayers, administrators and councillors about the assessment process and for providing educational opportunities to Agency employees.

Personnel

As of December 31, 1990, SAMA employed 168 people. One hundred and twenty-four employees worked out of the Agency's regional offices, with the remaining 44 located in head office.

Branch Accomplishments

Accounting:

In 1990 the Agency's accounting system was upgraded to provide more flexibility and prepare for the implementation of the Goods and Services Tax. The payroll system was converted to allow for on-line data entry through the use of personal computers, and the computer invoicing system was enhanced.

Communications:

Agency representatives were on hand at the SUMA, SARM, SSTA and urban and rural administrators' conventions to profile the upcoming assessment reform. Agency personnel attended a number of ratepayer meetings as a service to municipalities. Rural ratepayers were shown a slide tape presentation explaining the new assessment system.

SAMA's consultative efforts continued at year end with the first in an extensive series of consultation meetings with client groups. At these meetings preliminary information was released on the impact of the new system.

Human Resources:

A comprehensive review of personnel policies was conducted throughout the Agency. As well, a pilot job sharing arrangement was established in Weyburn region.

Training:

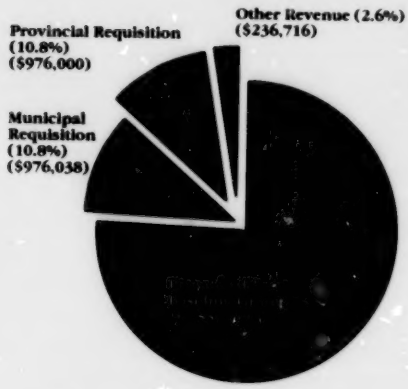
Staff training and development continued to be an Agency priority with emphasis on the development of market analysis skills for field employees in preparation for the move to a market-based system.

Computer literacy was the focus of another major training initiative. All support staff received training in Lotus 1-2-3 and other computer programs.

The Agency is a member of the Trans-Canadian Assessment Training Steering Committee working to standardize assessor training in Canada.

FINANCIAL OVERVIEW

1990 Revenues
$9,045,154



Revenue Formula

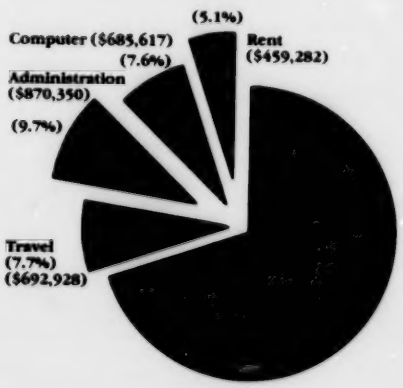
Provincial Funding:	
A provincial baseline grant of	$ 6,856,400
plus 50% of expenses over-and-above the baseline grant	976,000
Municipal Requisition:	
Remaining 50% of expenses over-and-above baseline grant	976,038
Other revenue	236,716
	$ 9,045,154

The dollar distribution requisition from municipalities is as follows:

*Cities	$150,349	(15.4%)
Towns	233,725	(23.9%)
Villages	99,937	(10.2%)
Northern municipalities	5,839	(0.7%)
Rural municipalities	486,188	(49.8%)

* not including Moose Jaw, Prince Albert, Regina and Saskatoon

1990 EXPENDITURES
$8,986,507



AUDITORS' REPORT

Deloitte & Touche

The Board of Directors,
Saskatchewan Assessment Management Agency

We have audited the balance sheet of the Saskatchewan Assessment Management Agency as at December 31, 1990 and the statements of revenues, expenses and surplus and changes in financial position for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Agency as at December 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Deloitte + Touche

Chartered Accountants
January 25, 1991

BALANCE SHEET

DECEMBER 31, 1990

	1990	1989
Current Assets		
Cash and temporary investments	$ 462,857	$ 433,292
Grant due from Province (Note 6)	244,025	110,850
Accounts receivable and accrued interest	22,567	21,226
Prepaid expenses	1,293	5,049
	730,742	570,417
Fixed Assets (Note 3)	654,273	601,411
	$ 1,385,015	$ 1,171,828
Current Liabilities		
Accounts payable	$ 272,483	$ 126,000
Obligation under capital leases (Note 4)	116,223	83,811
Current portion of loan payable (Note 5)	22,947	20,519
	411,653	230,330
Non-Current Obligation Under Capital Leases (Note 4)	166,833	170,669
Loan Payable (Note 5)	54,359	77,306
	221,192	247,975
	632,845	478,305
Surplus	752,170	693,523
	$ 1,385,015	$ 1,171,828

Approved by the Board

..... Director

..... Director

STATEMENT OF REVENUES, EXPENSES AND SURPLUS

DECEMBER 31, 1990

	1990	1989
Revenues		
Province of Saskatchewan Operating grant (Note 6)	$ 7,832,400	$ 7,299,680
Municipal requisitions	976,038	443,508
	8,808,438	7,743,188
Expenses		
Bank charges	4,174	4,405
Computer	373,673	445,613
Computer consulting	311,944	107,029
Depreciation	178,168	156,627
Insurance	8,215	8,192
Interest on capital leases	38,032	32,057
Interest on long term debt	9,954	12,125
Office	264,893	215,112
Printing	243,282	137,616
Professional	83,103	56,104
Rent - office	459,282	404,495
Rent - aircraft and equipment	32,460	16,494
Salaries and benefits	6,278,330	5,753,243
Tools and supplies	8,069	10,159
Travel and accommodation	692,928	725,647
	8,986,507	8,084,918
Excess of Expenses over Revenues before other revenues	(178,069)	(341,730)
Other Revenues		
Interest	214,833	218,136
Fees	15,974	21,152
Miscellaneous	5,909	10,705
	236,716	249,993
Excess of Revenues over Expenses (Expenses over Revenues)	58,647	(91,737)
Surplus, beginning of year	693,523	785,260
Surplus, end of year	$ 752,170	$ 693,523

STATEMENT OF CHANGES IN FINANCIAL POSITION

DECEMBER 31, 1990

	1990	1989
Cash from Operations		
Excess of revenues over expenses (expenses over revenues)	$ 58,647	$ (91,737)
Items not affecting cash		
Depreciation	178,168	156,627
Deferred grant revenue	–	(1,714,055)
	236,815	(1,649,165)
Changes in working capital components		
Grant due from Province	(133,175)	(110,850)
Accounts receivable and accrued interest	(1,341)	3,131
Prepaid expenses	3,756	(120)
Accounts payable	146,483	(52,896)
	252,538	(1,809,900)
Cash Provided by (used in) Financing Activities		
Proceeds (repayment) of obligation under capital leases	28,576	(129,698)
Repayment of loans payable	(20,519)	(18,349)
	8,057	(148,047)
Cash Used in Investing Activities		
Purchase of fixed assets	(231,030)	(107,635)
Increase (Decrease) in Cash	29,565	(2,065,582)
Cash, beginning of year	433,292	2,498,874
Cash, end of year	$ 462,857	$ 433,292

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1990

1. **Statutory Authority**

The Saskatchewan Assessment Management Agency was established on March 1, 1987 under the authority of *The Assessment Management Agency Act*.

2. **Significant Accounting Policies**

The financial statements have been prepared in accordance with generally accepted accounting principles, and reflect the following policies:

a) Investments
Investments are stated at the lower of cost and market value.

b) Accounts receivable
Accounts received from the Province of Saskatchewan under the terms of a transition agreement for reimbursement of employee travel advances have been recorded as a reduction of these advances.

c) Fixed assets
Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated using the diminishing balance method, except for leasehold improvements which are being amortized using the straight-line method over the life of the lease.

Amounts received from the Province of Saskatchewan in 1987 under the terms of a transition agreement for acquisition of fixed assets have been recorded as a reduction of the cost of these assets.

3. **Fixed Assets**

	Rate	Cost	Accumulated Depreciation and Amortization	Net Book Value 1990	Net Book Value 1989
Equipment under capital leases	20%	$ 850,086	$ 438,281	$ 411,805	$ 383,234
Computer equipment	20%	296,055	54,950	241,105	196,665
Furniture and equipment	20%	245,239	38,116	207,123	196,456
Leasehold improvements	1/5	160,296	89,216	71,080	101,896
		1,551,676	620,563	931,113	878,251
Less transition grant		276,840	–	276,840	276,840
		$ 1,274,836	$ 620,563	$ 654,273	$ 601,411

4. **Obligation Under Capital Leases**

The following is a schedule of future minimum lease payments. All leases expire by December 31, 1994.

	1990	1989
Year ending December 31, 1990	$ –	$ 106,167
1991	104,514	104,514
1992	111,926	62,788
1993	34,810	–
1994	41,050	–
Total minimum lease payments	292,300	273,469
Less imputed interest at 10.75%	9,244	18,989
Balance of the obligation	283,056	254,480
Portion due within one year	116,223	83,811
Non-current obligation	$ 166,833	$ 170,669

5. **Loan Payable**

Under the terms of an agreement dated January 20, 1989, the Agency has a loan payable to Saskatchewan Property Management Corporation (SPMC) for renovation costs. The loan matures on December 31, 1993 and is payable in monthly payments of $2,539, including interest at 12% per annum. If the Agency's lease is terminated before the loan matures, the Agency must, within 30 days, repay the balance plus one month's interest at 12%.

6. **Operating Grant**

Under Section 18 of *The Assessment Management Agency Act*, the Agency is entitled to receive an annual operating grant from the Province of Saskatchewan. As at December 31, 1990, $244,025 of the 1990 grant was receivable.

7. **Commitments**

Under the terms of the various leases expiring in March, 1992, the Agency leases various office properties from Saskatchewan Property Management Corporation. The monthly payments for length of the lease term are approximately $35,807.

Under the terms of a lease expiring February 28, 1993, the Agency leases property from Urban Core Developers Ltd. for monthly payments of $1,550.

Under the terms of a lease expiring August, 1994, with the Canadian Imperial Bank of Commerce, the Agency leases computer equipment for monthly payments of $2,900.